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CC Docket #96-98 CCB/CPD 97-30

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(202) 969-2583 RMETZGER @ALTS.ORG RICHARD J. METZGER VICE PRESIDENT & GENERAL COUNSEL

July 2, 1998

Kathryn C. Brown Chief, Common Carrier Bureau Room 500 Federal Communications Commission 1919 M St., NW Washington, D.C. 20554

RECEIVED

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Request for Expedited Letter Clarification -- Inclusion of Local Calls to ISPs Within Reciprocal Compensation Agreements, CC No. 96-98; CCB/CPD 97-30

Dear Ms. Brown:

On June 20, 1997, the Association for Local Telecommunications Services ("ALTS") requested that the Chief of the Common Carrier Bureau issue an expedited letter clarification in the above docket. ALTS sought clarification that nothing in the Local Competition Order's discussion of reciprocal compensation "requires this traffic [local calls to ISPs] to be handled differently than other local traffic handed under current reciprocal compensation agreements in situations where local calls to ISPs are exchanged between ILECs and CLECs" (June 20, 1997, letter to Regina M. Keeney, at 1). Pursuant to DA 97-1399, comments on ALTS' request were filed July 17, 1997, and replies on July 31, 1997.

At the time ALTS filed its clarification request over a year ago, only a few states had addressed this issue. Currently there are nineteen state decisions addressing compensation arrangements for local calls to ISPs exchanged between ILECs and CLECs (citations to these state decisions are appended as Attachment A; the order of the Public Utility Commission of Texas was recently upheld in Southwestern Bell Telephone Co. v. Public Utility Commission of Texas (MO-98-CA-43, W.D. Tex.; filed June 16, 1998)). The Commission has also clarified and reiterated its thinking on this issue, and provided valuable guidance in several rulings. Now that the states have spoken and the Commission has provided the necessary guidance, there is no longer any need for the Commission to take action on ALTS' request.

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Kathryn C. Brown July 2, 1998 Page 2

Accordingly, ALTS hereby withdraws its prayer that the Commission issue an expedited letter clarification on this matter. Please call me if I can provide you with any further information.

Yours truly,

cc:

Secretary's Office

J. Casserly

K. Dixon

P. Gallant

J. Jackson

K. Martin

T. Power

J. Schlichting

C. Wright

<u>ATTACHMENT A</u>

- Arizona Corporation Commission, <u>Petition of MFS Communications</u>
 <u>Company, Inc. for Arbitration of Interconnection Rates, Terms, and Conditions</u>
 <u>with U S West Communications, Inc.</u>, Pursuant to 47 U.S.C. § 252(b) of the
 <u>Telecommunications Act of 1996, Opinion and Order, Decision No. 59872, Ariz.</u>
 CC Docket Nos. U-2752-96-362 and E-1051-96-362 (Oct. 29, 1996)
- Colorado Public Utilities Commission, <u>Petition of MFS Communications</u>
 <u>Company, Inc., for Arbitration Pursuant to 47 U.S.C. § 252(b) of Interconnection Rates, Terms, and Conditions with U S West Communications, Inc., Decision Regarding Petition for Arbitration, Decision No. C96-1185, Co. PUC Docket No. 96A-287T (Nov. 5. 1996)</u>
- Connecticut Department of Public Utility Control, <u>Petition of the Southern New England Telephone Company for a Declaratory Ruling Concerning Internet Service Provider Traffic, Final Decision, Conn. DPUC Docket No. 97-05-22 (Sept. 17, 1997)</u>
- Illinois Commerce Commission, <u>Teleport Communications Group, Inc. v. Illinois Bell Telephone Company, Ameritech Illinois: Complaint as to Dispute over a Contract Definition</u>, Opinion and Order, Ill. CC Docket No. 97-0404 (Mar. 11, 1998)
- Maryland Public Service Commission, Letter from Daniel P. Gahagan,
 Executive Secretary, to David K. Hall, Esq., Bell Atlantic Maryland, Inc., Md.
 PSC Letter (Sept. 11, 1997)
- Michigan Public Service Commission, <u>Application for Approval of an Interconnection Agreement Between Brooks Fiber Communications of Michigan</u>, Inc. and Ameritech Information Industry Services on Behalf of <u>Ameritech Michigan</u>, Opinion and Order, Mich. PSC Case Nos. U-11178, U-111502, U-111522, U-111553 and U-111554 (Jan. 28, 1998)
- Minnesota Department of Public Service, Consolidated Petitions of AT&T Communications of the MidWest, Inc., MCIMetro Access Transmission Services, Inc. and MFS Communications Company for Arbitration with U S West Communications, Inc. Pursuant to Section 252(b) of the Federal Telecommunications Act of 1996, Order Resolving Arbitration Issues, Minn. DPS Docket Nos. P-442, 421/M-96-855, P-5321, 421/M-96-909, P-3167, 421/M-96-729 (Dec. 2, 1996)
- Missouri Public Service Commission, <u>Petition of Birch Telecom of Missouri</u>, <u>Inc. for Arbitration of the Rates, Terms, Conditions and Related Arrangements for Interconnection with SWBT</u>, Case No. TC-98-278 (April 23, 1998).

- New York Public Service Commission, <u>Proceeding on Motion of the Commission to Investigate Reciprocal Compensation Related to Internet Traffic</u>, Order Closing Proceeding, NY PSC Case No. 97-C-1275 (Mar. 19, 1998)
- North Carolina Utilities Commission, <u>Interconnection Agreement between BellSouth Telecommunications</u>, <u>Inc.</u>, and <u>US LEC of North Carolina</u>, <u>Inc.</u>, Order Concerning Reciprocal Compensation for ISP traffic, NC UC Docket No. P -55, SUB 1027 (Feb, 26, 1998)
- Oklahoma Corporation Commission, <u>Application of Brooks Fiber</u>
 Communications of Oklahoma, Inc., and Brooks Fiber Communications of
 Tulsa, Inc. for an Order Concerning Traffic Terminating to Internet Service
 Providers and Enforcing Compensation Provisions of the Interconnection
 <u>Agreement with Southwestern Bell Telephone Company</u>, Okla. CC Cause No.
 PUD 970000548 (Feb. 5, 1998)
- Oregon Public Utility Commission, <u>Petition of MFS Communications</u> <u>Company, Inc., for Arbitration of Interconnection Rates, Terms, and Conditions</u> <u>Pursuant to 47 U.S.C. § 252(b) of the Telecommunications Act of 1996,</u> <u>Decision, Or. PUC Order No. 96-324 (Dec. 9, 1996)</u>
- Pennsylvania Public Utility Commission, <u>Petition for Declaratory Order of TCG Delaware Valley</u>, <u>Inc. for Clarification of Section 5.7.2 of its Interconnection Agreement with Bell Atlantic-Pennsylvania</u>, <u>Inc.</u>, P-00971256 (June 2, 1998).
- Tennessee Regulatory Authority, <u>Petition of Brooks Fiber to Enforce</u>
 <u>Interconnection Agreement and for Emergency Relief</u>, Tenn. RA Docket No. 98-00118 (Apr. 21, 1998)
- Texas Public Utility Commission, <u>Complaint and Request for Expedited ruling of Time Warner Communications</u>, Order, Tex. PUC Docket No. 18082 (Feb. 27, 1998)
- Virginia State Corporation Commission, <u>Petition of Cox Virginia Telecom</u>, <u>Inc. for Enforcement of Interconnection Agreement with Bell-Atlantic-Virginia, Inc. and Arbitration Award for Reciprocal Compensation for the Termination of Local Calls to Internet Service Providers, Final Order, Va. SCC Case No. PUC970069 (Oct. 24, 1997)</u>
- Washington Utilities and Transportation Commission, <u>Petition for Arbitration of an Interconnection Agreement Between MFS Communications Company, Inc. and U S West Communications, Inc. Pursuant to 47 U.S.C. § 252, Arbitrator's Report and Decision, Wash. UTC Docket No. UT-960323 (Nov. 8, 1996), aff'd <u>U S West Communications, Inc. v. MFS Intelenet, Inc.</u>, No. C97-22WD (W.D. Wash. Jan. 7, 1998
 </u>

- West Virginia Public Service Commission, MCI Telecommunications
 Corporation Petition for Arbitration of Unresolved Issues for the
 Interconnection Negotiations Between MCI and Bell Atlantic West Virginia,
 Inc., Order, WV PSC Case No. 97-1210-T-PC (Jan. 13, 1998)
- Wisconsin Public Service Commission, <u>Contractual Disputes About the Terms of an Interconnection Agreement Between Ameritech Wisconsin and TCG Milwaukee</u>, Inc., 5837-TC-100 (May 13, 1998).

¹ Two states have pending for final action hearing examiner recommendations finding that the calls are local -- Delaware and Georgia -- and the issue is involved in proceedings before at least six additional states in Alaska, California, Florida, Indiana, Kentucky and Ohio.